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CHIEF ADMINISTRATIVE OFFICE

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May 15, 2003

To: Supervisor Yvonne Brathwaite Burke, Chair
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Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

FEDERAL LEGISLATIVE UPDATE

State and Local Fiscal Relief in Senate Economic Stimulus Bill

The Senate currently is debating S. 1054 (Grassley, R-IA), a \$350 billion economic stimulus/tax relief package. Today, the Senate passed an amendment that would provide an estimated \$20 billion in state and local fiscal relief:

- \$10 billion would be provided in the form of an increase in the Federal Medicaid match rate ("FMAP") for the last two quarters of Federal Fiscal Year (FFY) 2003 and first three quarters of FFY 2004;
- \$6 billion would be allocated based on population to states that can use the funds for any service for which a state expended funds under its most recently approved budget; and
- \$4 billion would be allocated based on population directly to units of local general government, including counties, that can use the funds for any service for which it expended funds under its most recently approved budget.

Federal Funds Information for States (FFIS), which analyses the impact of major Federal programs and proposals on state governments, estimates that California's share of the \$20 billion fiscal relief package would total \$2.474 billion of which local

governments would receive an estimated \$474.4 million (Attachment I). The estimated value of the FMAP increase to California would total \$1.3 billion.

The current version of S. 1054 also includes \$48 million to reimburse undocumented immigrant emergency health costs incurred by hospitals and other providers. Based on the bill's allocation formula, which allots funds based on the number of apprehended undocumented immigrants and the estimated number of undocumented immigrants, California would receive approximately one-third of total funding.

The House-passed economic stimulus/tax relief bill (H.R. 2) does not include any state or local fiscal relief or funding to reimburse undocumented immigrant emergency health costs, and the Bush Administration, to date, has not supported such funding.

Based on policies supporting state and local fiscal relief, maximizing Federal revenue to the County, and reimbursement of undocumented immigrant emergency medical costs included in the Federal Agenda adopted by your Board on February 4, 2003, **the County's Washington advocates are supporting the funding for state and local fiscal relief and undocumented immigrant emergency health costs included in the Senate bill.**

Allocation of Homeland Security Grant Funds to Urban Areas

On May 14, 2003, the Department of Homeland Security (DHS) announced the allocation of \$700 million in funds to enhance the security of urban areas with high density population areas and critical infrastructure that was included in H.R. 1559, the FFY 2003 supplemental appropriations bill, which was signed into law on April 17, 2003. The attached DHS news release (Attachment II) states that \$500 million will be provided through states to 30 cities and their contiguous counties and mutual aid partners, of which the City of Los Angeles would receive \$18.87 million and Long Beach would receive \$6.46 million. In addition, the Ports of Los Angeles and Long Beach would receive nearly \$9.1 million of \$75 million in port security funds being released, and the Los Angeles Metropolitan Transportation Authority would receive nearly \$4.6 million of \$65 million in mass transit security funds being released.

Today, Sheriff Baca and Washington Advocate Franklin Logan met on homeland security issues with DHS Undersecretary Asa Hutchison and Josh Filler, who heads the DHS Office of State and Local Coordination. At the meeting, they expressed the concern that the DHS news release reads as if the Cities of Los Angeles and Long Beach would be the recipient of grant funds rather than the County, which administers Federal first responder funds passed through by the State. Filler indicated that no final decision has been made on how the new funds would be locally administered and that DHS still is working on grant application guidelines that will be completed in about three weeks. The County's Washington advocates will be following up with DHS on this

issue, and will be participating in a DHS meeting on homeland security funding with other state and local government representatives that will be held on May 19, 2003.

Public Safety Agency Communications

On May 14, Sheriff Lee Baca, Chief Sandra Hutchens, Captain Michael Grossman and Washington Advocate Randy Davis met with Marsha MacBride, Chief of Staff to Federal Communications Commission (FCC) Chairman Michael Powell and Peter Tenhula, Deputy of the FCC's Wireless Bureau to discuss the FCC's pending rulemaking relating to the conversion of public safety agency communication systems to a narrow band radio frequency. This was one of the major issues identified for your Board's Federal advocacy trip to Washington, D.C. last week. The estimated cost of converting the County's public safety radio communications system exceeds \$400 million.

Randy Davis reports that the Sheriff began the meeting by indicating that the County's existing system was antiquated, but that the County lacked the funds to replace it within the time period envisioned by the FCC. He also stressed that post-September 11th requirements to ensure interoperable communications and his responsibilities as the regional coordinator of emergency response were further stretching our financial resources. In addition, the Sheriff noted that the FCC's proposed order would exacerbate current problems in obtaining replacement equipment for the County's public safety communications system.

In response, Ms. MacBride indicated that the FCC was sensitive to the financial constraints facing the County and other local governments and understood the time delays they face in identifying financial resources, planning, and procuring new equipment. She stated that public safety issues were among the most intractable ones faced by the FCC. She stressed that the proceeding at issue, which was initiated in 1996, is only one of many initiated by the FCC in an effort to utilize scarce radio spectrum more efficiently and that the public safety community has lagged behind every other user of the spectrum in adopting more efficient equipment.

She did indicate, however, that the Commissioners likely would be flexible in granting waivers of the deadlines to the proposed order if the County were able to develop a plan demonstrating that it was on a path to comply with its overall objectives. She intimated that she could not imagine the FCC shutting down the County's emergency communications system by refusing to be flexible on deadlines and timetables. Randy Davis also noted that, while Ms. MacBride indicated that the FCC likely would be flexible on meeting deadlines, there remains an apparently larger problem of the availability of new replacement equipment compatible with the County's older, less efficient equipment, which is quickly becoming obsolete, with or without the FCC's proposed order. It is unclear what the Commission can or would be willing to do to help resolve this problem.

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Ms. MacBride and Mr. Tenhula also indicated that some jurisdictions were looking at creative public/private partnerships in designing their new systems and urged that the County investigate whether any of these made sense as a means for reducing costs.

We will continue to keep you advised of any new developments.

DEJ:GK
MAL:MT:ib

Attachments

c: Executive Officer, Board of Supervisors
 County Counsel
 All Department Heads
 Legislative Strategist

**Senate-Passed Amendment on Fiscal Assistance:
\$10 Billion Flexible Grant and \$10 Billion Enhancing the Medicaid FMAP
(federal fiscal years; dollars in millions)**

State	Flexible Grant			FMAP 2003			FMAP 2004			Grand
	State	Local 1/	Total	HH	2.95	Total	HH	2.95	Total	Total
Alabama	\$91.9	\$62.3	\$154.2	\$0.0	\$46.3	\$46.3	\$0.0	\$69.0	\$69.0	\$269.5
Alaska	30.0	8.8	38.8	0.0	10.3	10.3	0.0	16.0	16.0	65.1
Arizona	106.0	71.9	177.9	0.0	62.3	62.3	0.0	109.3	109.3	349.6
Arkansas	55.3	37.4	92.7	0.0	33.5	33.5	0.0	52.5	52.5	178.7
California	700.1	474.4	1,174.4	201.4	424.4	625.8	0.0	674.2	674.2	2,474.4
Colorado	88.9	60.2	149.1	0.0	35.8	35.8	0.0	57.0	57.0	241.9
Connecticut	70.4	47.7	118.1	0.0	52.2	52.2	0.0	83.1	83.1	253.4
Delaware	30.0	11.0	41.0	0.0	9.8	9.8	0.0	15.0	15.0	65.8
District of Columbia	30.0	8.0	38.0	0.0	17.1	17.1	0.0	26.6	26.6	81.6
Florida	330.3	223.8	554.2	0.0	157.1	157.1	0.0	248.4	248.4	959.6
Georgia	169.2	114.6	283.9	0.0	92.4	92.4	1.0	147.3	148.3	524.6
Hawaii	30.0	17.0	47.0	0.0	11.5	11.5	0.0	18.7	18.7	77.2
Idaho	30.0	18.1	48.1	0.2	12.2	12.4	3.3	19.6	23.0	83.5
Illinois	256.7	173.9	430.6	0.0	126.0	126.0	0.0	223.2	223.2	779.8
Indiana	125.7	85.2	210.8	1.5	62.0	63.5	0.0	105.4	105.4	379.7
Iowa	60.5	41.0	101.5	0.0	32.6	32.6	0.0	53.4	53.4	187.4
Kansas	55.6	37.7	93.2	0.4	25.5	25.9	0.0	37.0	37.0	156.1
Kentucky	83.5	56.6	140.1	0.9	55.1	56.0	0.0	83.3	83.3	279.4
Louisiana	92.4	62.6	155.0	0.0	61.0	61.0	0.0	96.6	96.6	312.6
Maine	30.0	17.9	47.9	2.7	22.3	25.1	2.7	37.5	40.2	113.1
Maryland	109.5	74.2	183.6	0.0	58.1	58.1	0.0	95.6	95.6	337.3
Massachusetts	131.2	88.9	220.1	0.0	129.4	129.4	0.0	205.1	205.1	554.7
Michigan	205.4	139.2	344.6	36.0	113.1	149.1	0.0	168.7	168.7	662.3
Minnesota	101.7	68.9	170.6	0.0	73.7	73.7	0.0	121.5	121.5	365.8
Mississippi	58.8	39.8	98.6	0.0	43.0	43.0	0.0	71.3	71.3	212.9
Missouri	115.6	78.4	194.0	0.0	73.3	73.3	0.0	112.9	112.9	380.2
Montana	30.0	12.6	42.6	0.0	8.6	8.6	0.5	14.0	14.6	65.8
Nebraska	35.4	24.0	59.3	0.2	19.3	19.5	0.0	31.0	31.0	109.8
Nevada	41.3	28.0	69.3	0.0	14.1	14.1	0.0	23.0	23.0	106.4
New Hampshire	30.0	17.3	47.3	0.0	12.5	12.5	0.0	21.3	21.3	81.1
New Jersey	173.9	117.8	291.8	0.0	106.4	106.4	0.0	169.4	169.4	567.6
New Mexico	37.6	25.5	63.1	0.0	28.1	28.1	0.0	46.3	46.3	137.4
New York	392.2	265.8	658.0	0.0	568.4	568.4	0.0	952.1	952.1	2,178.5
North Carolina	166.4	112.7	279.1	0.0	102.4	102.4	0.0	176.8	176.8	558.4
North Dakota	30.0	9.0	39.0	3.5	6.8	10.3	0.2	10.7	10.9	60.2
Ohio	234.7	159.0	393.7	0.0	147.4	147.4	0.0	238.3	238.3	779.4
Oklahoma	71.3	48.3	119.6	0.0	37.6	37.6	6.2	57.4	63.6	220.9
Oregon	70.7	47.9	118.6	0.0	41.9	41.9	0.0	59.4	59.4	220.0
Pennsylvania	253.8	172.0	425.8	0.0	185.3	185.3	0.0	298.7	298.7	909.8
Rhode Island	30.0	14.7	44.7	0.0	20.0	20.0	0.0	31.9	31.9	96.5
South Carolina	82.9	56.2	139.1	0.0	46.9	46.9	0.0	73.4	73.4	259.4
South Dakota	30.0	10.6	40.6	1.7	7.9	9.6	0.0	12.1	12.1	62.3
Tennessee	117.6	79.7	197.3	0.0	87.1	87.1	8.7	135.3	144.0	428.4
Texas	431.0	292.0	723.0	12.7	207.7	220.4	0.0	351.0	351.0	1,294.4
Utah	46.2	31.3	77.4	0.0	15.6	15.6	0.0	26.1	26.1	119.2
Vermont	30.0	8.5	38.5	2.2	10.0	12.1	5.6	15.4	20.9	71.6
Virginia	146.3	99.1	245.4	16.8	54.0	70.9	15.9	88.6	104.6	420.8
Washington	121.8	82.5	204.4	9.1	72.2	81.2	0.0	119.7	119.7	405.3
West Virginia	37.4	25.3	62.7	1.9	24.1	26.0	0.0	37.5	37.5	126.2
Wisconsin	110.9	75.1	186.0	3.2	67.0	70.1	0.7	99.4	100.0	356.2
Wyoming	30.0	6.9	36.9	1.0	4.6	5.7	3.9	7.3	11.2	53.8
Puerto Rico	6.0	53.3	59.3	0.0	4.9	4.9	0.0	4.9	4.9	69.1
Territories	24.0	5.5	29.5	0.0	0.5	0.5	0.0	0.5	0.5	30.5
Total	\$6,000.0	\$4,000.0	\$10,000.0	\$295.5	\$3,741.3	\$4,036.7	\$48.7	\$6,049.6	\$6,098.2	\$20,135.0

1/ Does not pass through states; goes directly to local governments.

Notes: Flexible grant estimates use 2000 census population counts. Enhanced FMAPs would not apply to spending on hospital or mental health disproportionate share payments. The FMAP for Medicaid spending on cervical and breast cancer, already enhanced, would not be increased; estimates presented here do not adjust for those relatively small amounts.

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U.S. DEPARTMENT OF HOMELAND SECURITY

Office of the Press Secretary
FOR IMMEDIATE RELEASE

May 14, 2003

SECURING THE HOMELAND: *PROTECTING OUR URBAN AREAS*

Today the Department of Homeland Security announced the allocation of \$700 million dollars from the FY '03 Supplemental Budget to enhance the security of urban areas with high density population areas and critical infrastructure.

"One of the most important responsibilities of the Department of Homeland Security is to enhance the capabilities of our nation's first responders and first preventers who devote themselves to preventing terrorism and responding to emergencies," said Secretary of Homeland Security Tom Ridge. "These grants demonstrate our strong commitment to provide assistance to the men and women on the front lines of the war against terrorism. The dissemination of this funding takes into account threats, population density and the presence of critical infrastructure which will best help to secure our homeland in an environment where we must ensure maximum benefit is derived from every security dollar."

\$500 Million in Formula Grants

\$500 million will be provided through the states to 30 cities and their contiguous counties and mutual aid partners. The cities have been determined based on a formula developed by the Department of Homeland Security that takes into account, threat information, critical infrastructure, and population density.

Allowable uses of funds would include, but not be limited to, operational activities conducted during the heightened alert level from January 2003 through April 2003, critical infrastructure security, training, exercises, equipment, and information sharing.

Funding allocations among the cities, contiguous counties and mutual aid partners will be based on an urban area assessment and preparedness plan.

New York City, New York

The Department of Homeland Security has announced that \$125 million from the FY '03 Supplemental Budget will be made available to the City of New York, its contiguous counties and mutual aid partners. This new money made available is in addition to the \$25 million made available to the City of New York from the first round of Urban Area Security Initiative Funds. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$26 million available to the State of New York from the FY '03 Budget in the month of March and \$70.12 million to the State of New York from the FY '03 Supplemental Budget in April in the form of grants for first responders.

Washington, D.C. – National Capital Region

The Department of Homeland Security has announced that an additional \$42.4 million will be made available to the National Capital Region, its contiguous counties and mutual aid partners. These new funds are made available in addition to the \$18.20 million announced from the first round of Urban Area Security Initiative funds from the Department of Homeland Security. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$2.7 million available to Washington, D.C. from the FY '03 Budget in the month of March and \$13 million from the FY '03 Supplemental Budget in April in the form of grants for first responders.

Chicago, Illinois

The Department of Homeland Security has announced that an additional \$29.97 million will be made available to the City of Chicago, its contiguous counties and mutual aid partners in the form of grants for first responders. These new funds are made available in addition to the \$10.97 million made available for the first round of Urban Area Security Initiative funding. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$18.8 million available to Illinois from the FY '03 Budget in the month of March and \$50 million to the State from the FY '03 Supplemental Budget in April in the form of grants for first responders.

Houston, Texas

The Department of Homeland Security has announced that an additional \$23.77 million will be made available to the City of Houston, its contiguous counties and mutual aid partners in the form of grants for first responders. These new funds are made available in addition to \$8.69 million made available to Houston from the first round of Urban Area Security Initiative funding. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$29.5 million available to Texas from the FY '03 Budget in the month of March and \$78.2 million to the State from the FY '03 Supplemental Budget in April in the form of grants for first responders.

Los Angeles, California

The Department of Homeland Security has announced that an additional \$18.87 million will be made available to the City of Los Angeles, its contiguous counties and mutual aid partners in the form of grants for first responders. These new funds are made available in addition to the \$12.51 million announced from the first round of Urban Area Security Initiative funding from the Department of Homeland Security. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$45 million available to California from the FY '03 Budget in the month of March and \$119.3 million to the State from the FY '03 Supplemental Budget in April in the form of grants for first responders.

San Francisco, California

The Department of Homeland Security has announced that an additional \$18.59 million will be made available to the City of San Francisco, its contiguous counties and mutual aid partners in the form of grants for first responders. These new funds are made available in addition to the \$10.42 million made available from the first round of Urban Area Security Initiative funding. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$45 million available to California from the FY '03 Budget in the month of March and \$119.2 million to the State from the FY '03 Supplemental Budget in April in the form of grants for first responders.

Seattle, Washington

The Department of Homeland Security has announced that an additional \$18.18 million will be made available to the City of Seattle, its contiguous counties and mutual aid partners in the form of grants for first responders. These new funds are made available in addition to the \$11.28 million made available from the first round of Urban Area Security Initiative funding. In addition, the Office for Domestic Preparedness within the Department of Homeland Security made \$11.3 million available to Washington from the FY '03 Budget in the month of March and \$29.9 million to the State from the FY '03 Supplemental Budget in April in the form of grants for first responders.

Additional cities:

Boston, Massachusetts	\$ 16.72 million
Denver, Colorado	\$ 15.57 million
Philadelphia, Pennsylvania	\$ 14.21 million
Miami, Florida	\$ 13.18 million
Detroit, Michigan	\$ 12.27 million
Newark, New Jersey	\$ 11.89 million
San Diego, California	\$ 11.36 million
Phoenix, Arizona	\$ 11.03 million
Baltimore, Maryland	\$ 10.90 million
Dallas, Texas	\$ 10.39 million
Buffalo, New York	\$ 10.27 million
St. Louis, Missouri	\$ 9.85 million
Kansas City, Missouri	\$ 9.69 million
Cincinnati, Ohio	\$ 7.99 million
Sacramento, California	\$ 6.91 million
Honolulu, Hawaii	\$ 6.87 million
Pittsburgh, Pennsylvania	\$ 6.82 million
Long Beach, California	\$ 6.46 million
New Orleans, Louisiana	\$ 6.28 million
Memphis, Tennessee	\$ 6.07 million
Cleveland, Ohio	\$ 5.86 million
Tampa, Florida	\$ 5.77 million

\$75 Million in Port Security Grants

\$75 million would be provided directly to selected high threat ports in the country and certain Liberty Shield port areas.

Allowable uses of funds for the ports would include, but not be limited to operational activities conducted during ORANGE alert from January 2003 through April 2003, critical infrastructure security, security enhancements, training, exercises, equipment, planning, and information sharing.

Each port would allocate funds based on an approved Transportation Security Administration and/or United States Coast Guard vulnerability self-assessments in accordance with the Maritime Transportation Security Act.

Port Security Grants

New York/New Jersey	\$9,371,218
Seattle	\$6,765,724
Miami	\$6,595,000
Port Canaveral, FL	\$4,352,378
San Juan, PR	\$1,605,958
Los Angeles/Long Beach	\$9,076,700
Charleston	\$5,124,554
Hampton Roads	\$6,600,000
Houston	\$6,546,492
Philadelphia	\$6,450,211
New Orleans	\$6,400,200
Beaumont	\$5,611,565
Valdez (Individual Facility)	\$250,000
LA LOOP (Individual Facility)	\$250,000

\$65 Million for Mass Transit Security

\$65 million will be provided through the States to the highest risk transit systems in the country. States could use 20 percent of the award for each transportation agency to complement state assets at those sites. Allowable uses of funds would include:

- Installation of physical barricades,
- Area monitoring systems such as; video surveillance, motion detectors, thermal/IR imagery and chemical/radiological

material detection systems,

- Integrated communications systems
- Prevention planning, training and exercises.
- operational activities conducted during ORANGE alert from January 2003 through April 2003 (overtime, limited to 10 percent of the gross award).

If not already completed, each transit system would be required to conduct an assessment and preparedness plan on which to base resource allocations.



1. New York City Transit	26,662,867
2. Chicago Transit Authority	5,117,019
3. Los Angeles Metropolitan Transportation Authority	4,577,600
4. Massachusetts Bay Transportation Authority	3,783,396
5. Washington Metropolitan Area Transit Authority	3,709,839
6. Southeastern Pennsylvania Transportation Authority (SEPTA)	3,388,959
7. San Francisco Municipal Railway	2,411,395
8. New Jersey Transit Corporation	2,346,366
9. Metropolitan Atlanta Rapid Transit Authority	1,781,362
10. New York City Department of Transportation	1,389,057
11. Mass Transit Administration – Maryland DOT	1,225,952
12. Long Island Rail Road	1,120,414
13. King County Department of Transportation (WA)	1,098,027
14. Metropolitan Transit Authority of Harris County (TX)	1,062,847
15. San Francisco Bay Area Rapid Transit District	976,498
16. Tri-County Metropolitan Transportation (OR)	926,394
17. Miami-Dade Transit	896,544
18. Port Authority Trans-Hudson Corporation (NY/NJ)	877,356
19. Regional Transportation District (CO)	825,119
20. Port Authority of Allegheny County (PA)	822,987
Total	65,000,000

\$35 Million for Radiological Defense Systems

\$35 million will be used for grants to implement a radiological defensive system in the New York/New Jersey Metropolitan Area (\$30 million), and the Charleston, South Carolina Metropolitan Area (\$5 million). The proposed \$35 million in funding would be part of the

Radiological Dispersion Device/Improvised Nuclear Device Project run out of Border and Transportation Security within DHS.

This program would immediately enhance the radiological detection capabilities of these areas and begin the process of establishing a layered and linked system of fixed radiological sensors around the heart of each region. This program would work with Federal, state and local partners to improve detection, prevention, response, mitigation, and recovery through training, equipping, and coordinating from a broad perspective.

\$15 Million for Pilot Projects

\$15 million will be made available through a discretionary grant program for the development of projects that would affect high density urban areas, high-threat areas, and for the protection of critical infrastructure.

\$10 Million for Technical Assistance to State and Local Jurisdictions

\$10 million dollars would be allocated to provide technical assistance to those State and local jurisdictions receiving funding under this program. This assistance would be in the form of direct services and would include, but not be limited to, interoperable communications assistance, assistance with conducting assessments, assistance with developing emergency operations and site security plans, implementation of the radiological defense system, and development and conduct of exercises.

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